



Prospects for the review of the EU 2020 Strategy, the Juncker Plan and Cohesion Policy after 2020

Jurmala, June 3 2015

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Preamble

- Little information concerning the review of the Europe 2020 strategy
- 4 key messages from public consultation (May-October 2014)
 - relevant overarching framework to promote jobs and growth;
 - headline targets are key catalysts and help to keep the strategy focused;
 - Flagship initiatives have generally served their purpose, yet their visibility has remained weak.
 - Need to improve the delivery of the strategy through enhanced ownership and involvement on the ground.
- Commission will present its policy conclusions on the future of the Strategy later in 2015

Preamble

- Even less information concerning Juncker Plan
- 315 bio euros
- Financial instruments (EIB)
- Large trans-European projects (transport, energy, ...)
- Location: ????
- Coherence with / consequence for Cohesion Policy: ???



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Cohesion Policy is more important than ever in terms of economic relevance

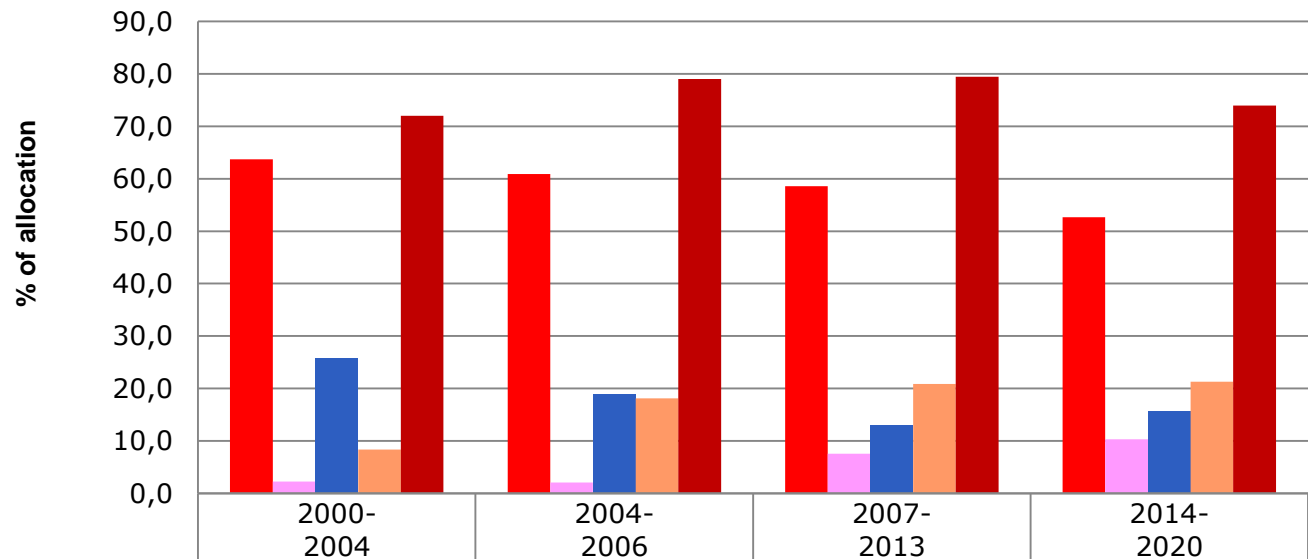
Cohesion Policy expenditures, 2000-2013



Source: DG BUDG, AMECO, DG REGIO calculations

Cohesion Policy is focused on less developed regions

Distribution of funding between categories per period



	2000-2004	2004-2006	2007-2013	2014-2020
■ Less developed * (Obj.1, Convergence)	63,7	60,9	58,6	52,7
■ Transition ** (Phasing in, Phasing out)	2,2	2,0	7,5	10,3
■ More developed*** (Obj.2, RCE)	25,8	18,9	13,0	15,7
■ Cohesion Fund (< 90%)	8,3	18,1	20,9	21,3
■ Less developed and Cohesion Fund	72,0	79,0	79,4	74,0

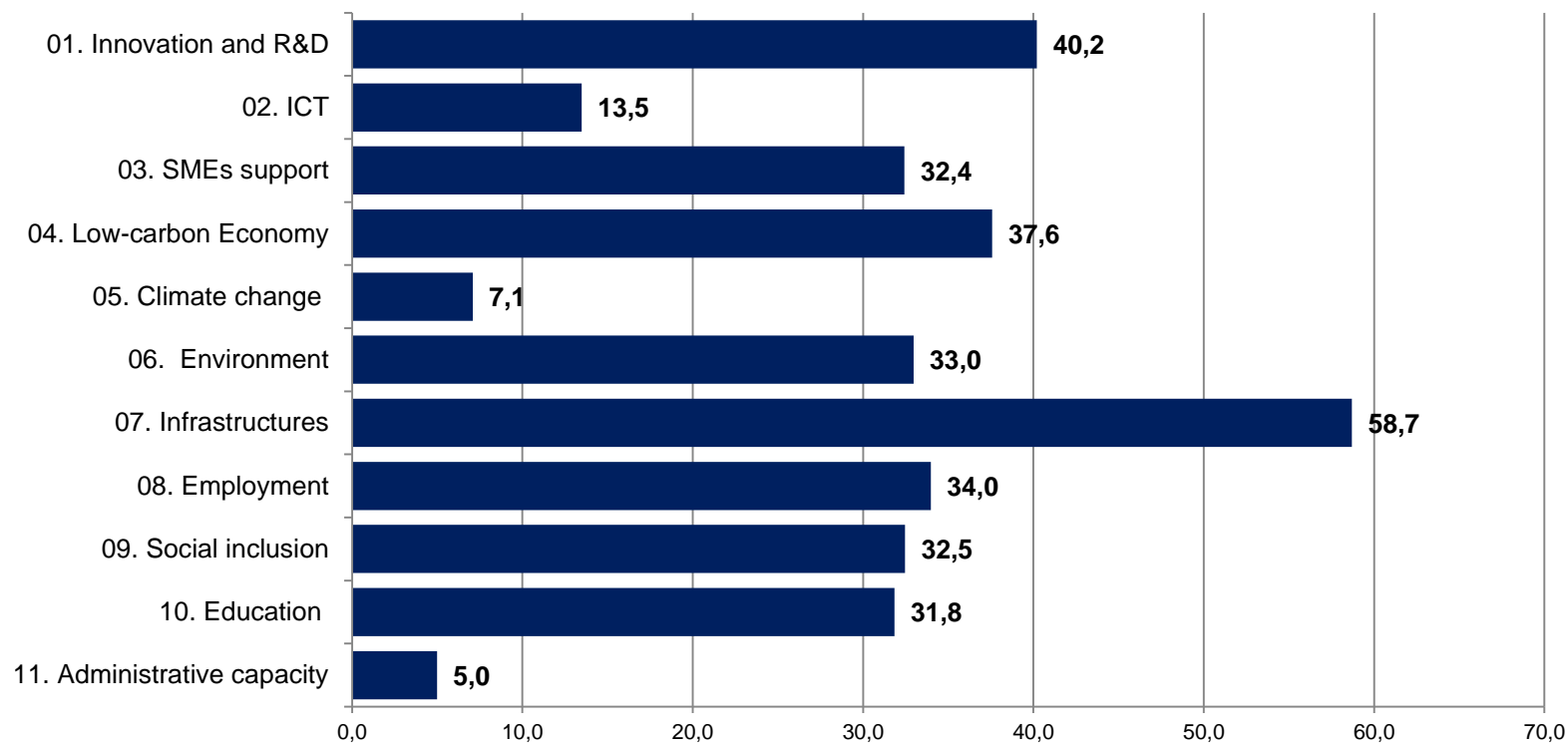
* Less developed cover Objective 1 regions in 2000-2006, Convergence regions in 2007-2013 and Less developed in 2014-2020.

** Transition cover Phasing-out regions in 2000-2006, Phasing –out and phasing-in regions in 2007-2013 and Transition in 2014-2020.

*** More developed cover former Objective 2 regions in 2000-2006, Regional Competiveness and Employment regions in 2007-2013 and More Developed in 2014-2020.

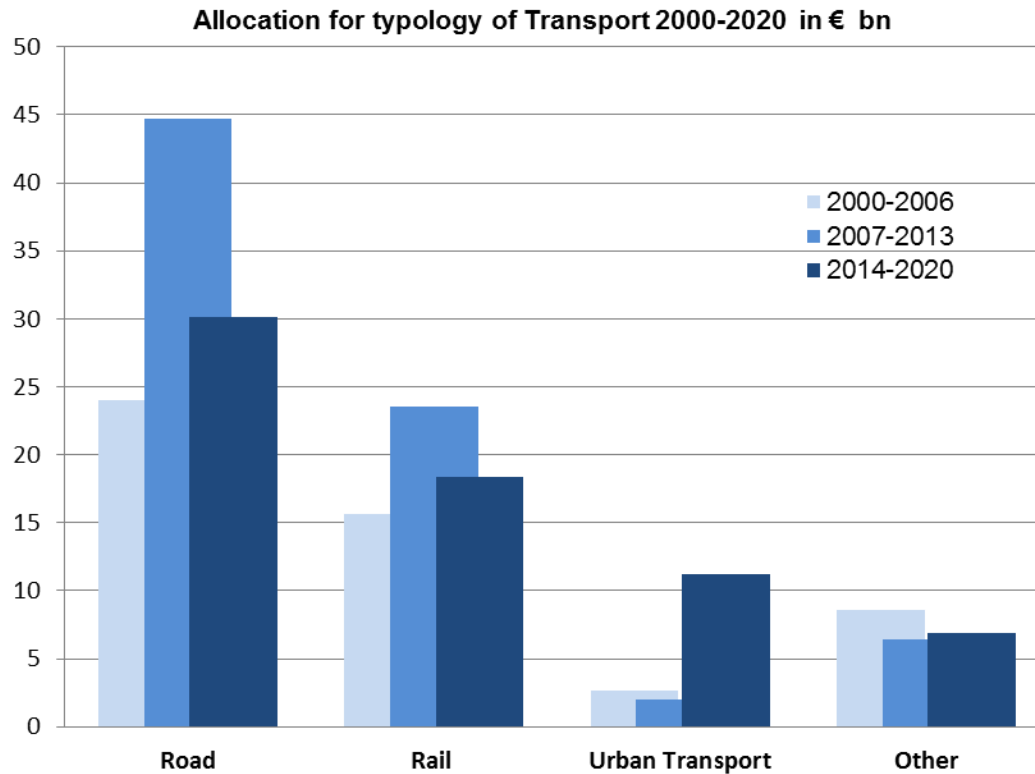
In the programming period 2014-20, Cohesion Policy will invest in...

Thematic objectives 2014-2020



In € bn (excluding technical assistance) based on PAs

If we focus on infrastructure over a longer time frame (2000-2020) Cohesion policy is shifting its investments: less road and more urban transport

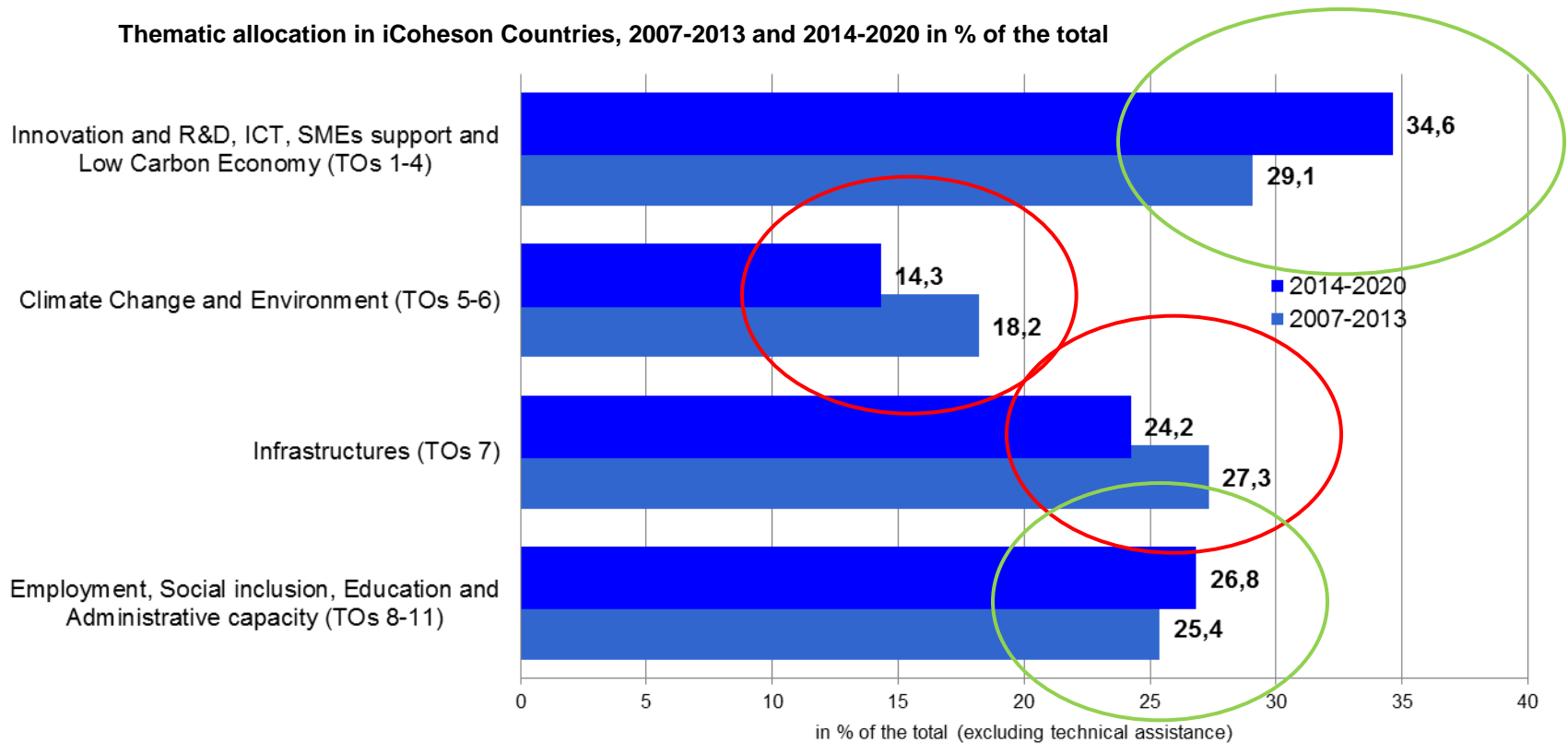


- *Investments in Road and Rail went up in 2007-2013 due to the infrastructural needs of the new cohesion countries*.*
- *In 2014-2020, Cohesion Policy invests more in Urban Transport but less in Road and Rail.*

*New 10 MS in 2004 and new 2 MS in 2007.

MS will also invest more (in % of total) in Innovation + Low-Carbon Economy and employment than in 2007-13

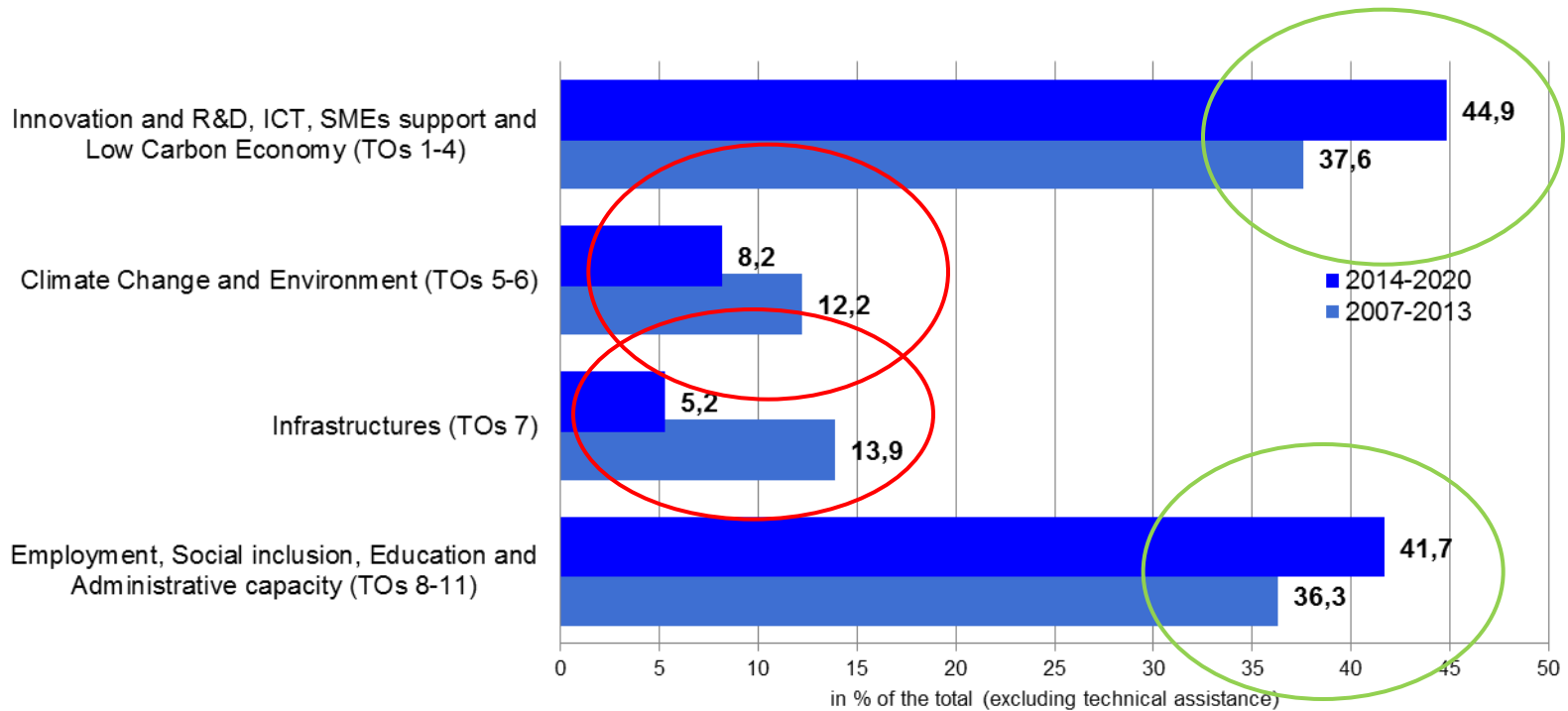
Thematic allocation in iCohesion Countries, 2007-2013 and 2014-2020 in % of the total



Note:
Allocation 2014-2020 € 219 bn (excluding technical assistance)
Allocation 2007-2013 € 210.4 bn (excluding technical assistance)

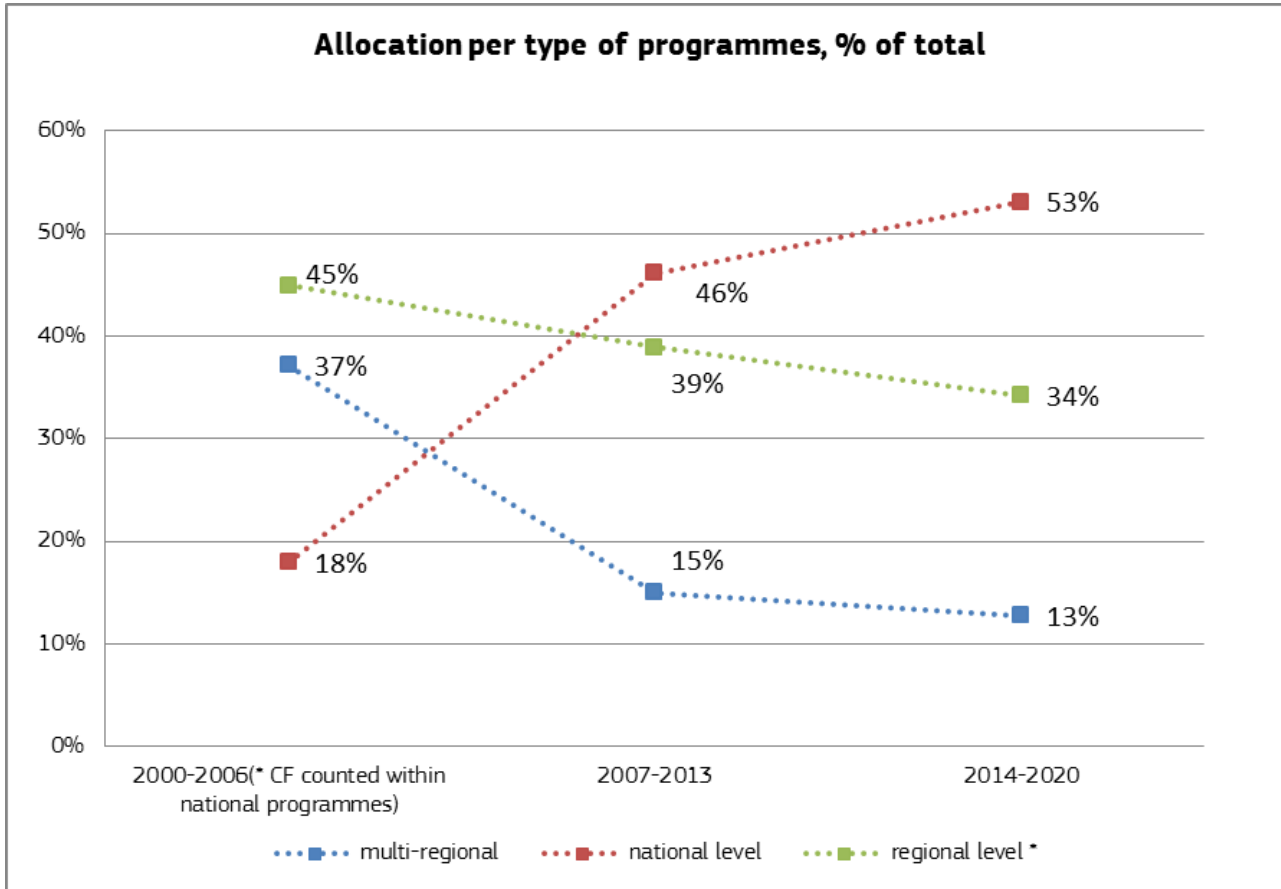
MS will also invest more (in % of total) in Innovation + Low-Carbon Economy and employment than in 2007-13

Thematic allocation in Non-Cohesion Countries, 2007-2013 and 2014-2020 in % of the total



Note:
 Allocation 2014-2020 € 106.7 bn (excluding technical assistance)
 Allocation 2007-2013 € 117 bn (excluding technical assistance)

Increase in investments in national programmes following EU enlargement



*Single NUTSII MS like CY, MT ,LU, LV, LT, EE are excluded.
Also ETC, CBC programmes and Community Initiatives.

Wrap-up

- *Cohesion Policy continues to invest three quarters of its funding in less developed regions (and Cohesion countries)*
- *Cohesion Policy has increased its investments in Low-Carbon Economy and employment*
- *Cohesion policy has a stronger link with overall EU objectives. For example, the increase in energy investments + EU 2020*
- *Cohesion Countries are investing more in innovation and employment in the 2014-2020 compared to the previous programming period.*
- *Cohesion Policy has become more national compared to the past. Around half the funding (including Cohesion Fund) is allocated to national level programmes, despite the fact that there are four times more regional programmes than national ones.*

Cohesion Policy post-2020

- Too early to provide the policy orientations for post 2020
- Spelled out in the 7th Cohesion Report in 2017
- Agenda for policy development – Role of ESPON

Objectives

- To provide solid grounds for policy choices for the post-2020 period
- To gather evidence, carry out analysis and synthesise material for the preparation of the Commission's impact assessment and legislative and financial proposals for post 2020
- To shape the debate on post-2020 both within the Commission and with other institutions and stakeholders
- To coordinate the drafting of the Commission's legislative proposal

Three main components

1. Evidence from past programming periods

- Ex-post evaluation 2007-2013
- Analysis of some key issues relevant for Cohesion Policy:
 - Investment mix;
 - Possible trade-off between cohesion and EU growth;
 - Impact of macro-economic framework on effectiveness of Cohesion Policy...
- Lessons from programme negotiation and implementation
 - Uptake of territorial approaches
 - Linkages with CSRs
- **Feed back from MS and stakeholders**
- **Academia**

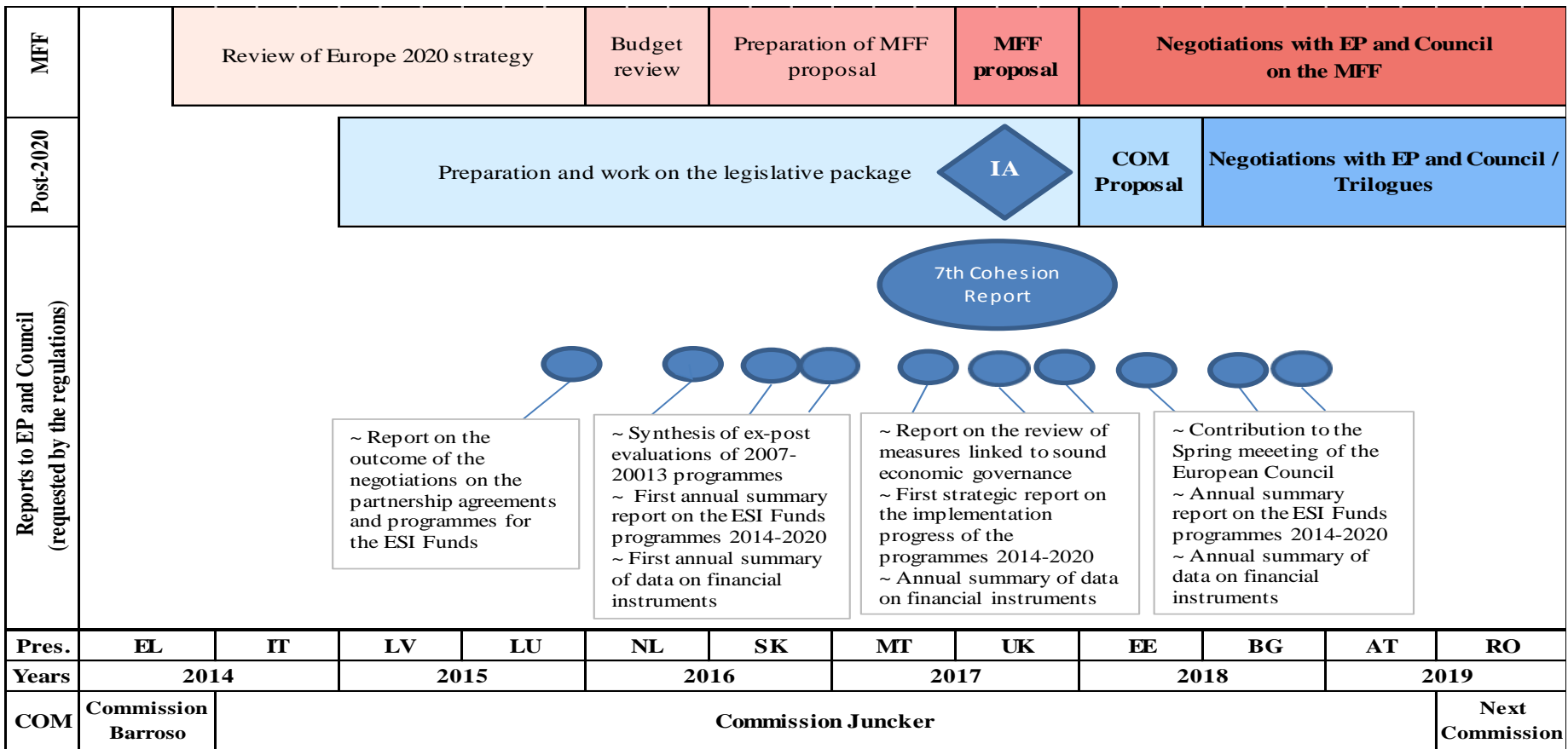
2. Identify options for the future

- Reflection on objectives and value added of the policy
- Enhance effectiveness (e.g. result orientation) and efficiency (e.g. alternative delivery modes)
- Architecture and budget
- Exchanges with other institutions, MS and stakeholders
- Exchanges with academia (conferences, research of particular interest for policy development, ...)

3. Impact assessment and legislative proposal

- Policy orientations in the 7th Cohesion Report (2017)
- Public consultation
- MFF proposal (2018)
- IA on proposal using material collected during steps 1 and 2 + additional analysis

Cohesion Policy Post 2020 – Time table



IA: Impact Assessment

Milestones for preparation process

- End -2015: Policy communication: Investing in Growth and Jobs – maximising the contribution of European Structural and Investment Funds
- 2016: Budget review, work on impact assessment, first annual summary report on 2014-2020 ESIF programmes, communication on results of ex post evaluations
- 2017: Contribution to MFF proposal (due by end 2017), 7th cohesion report, report on MEC, first strategic report on 2014-2020 programmes, preparation of legislative proposals
- 2018: Adoption of legislative proposals

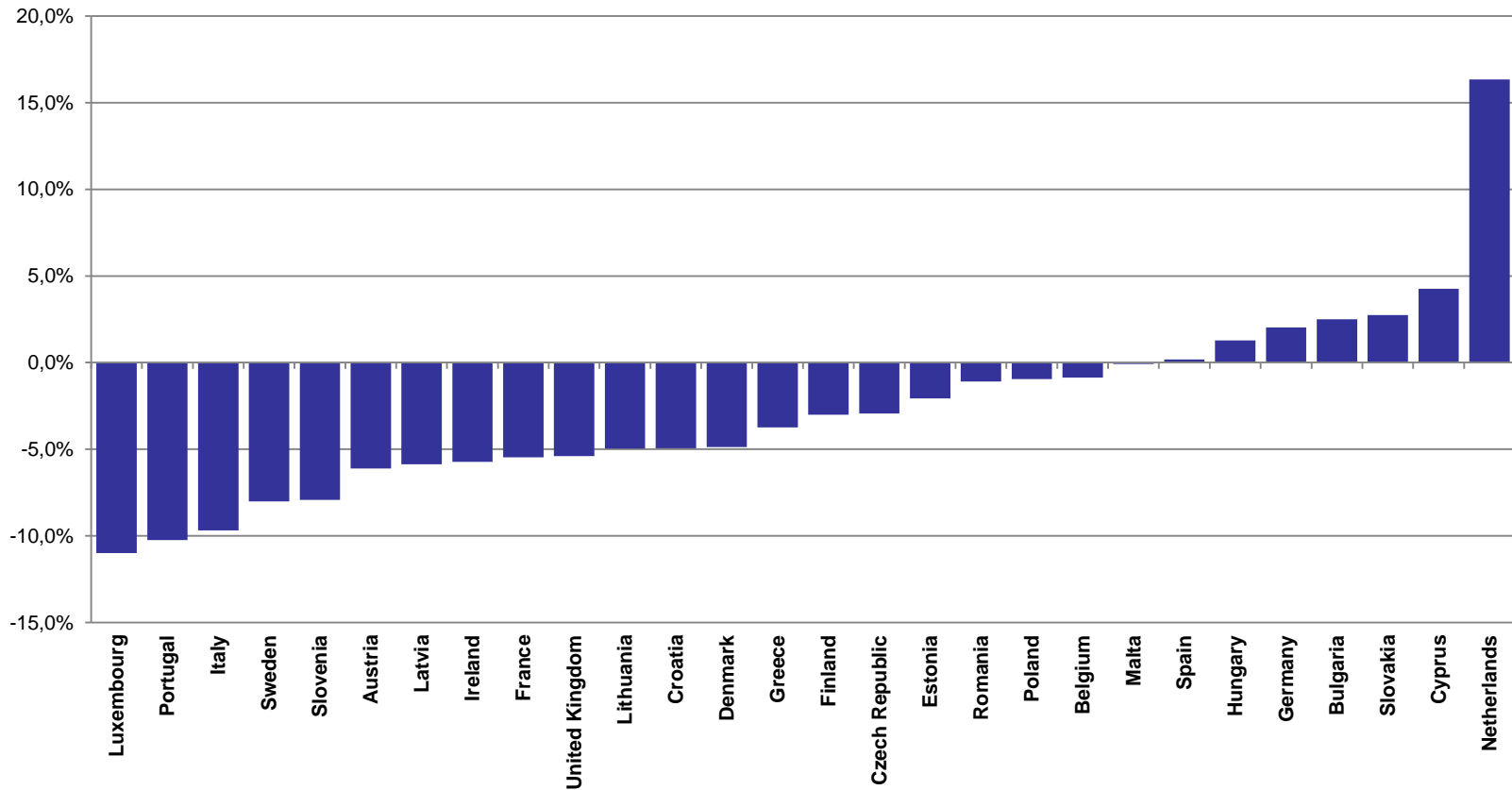


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Commission

Thank you for your attention!

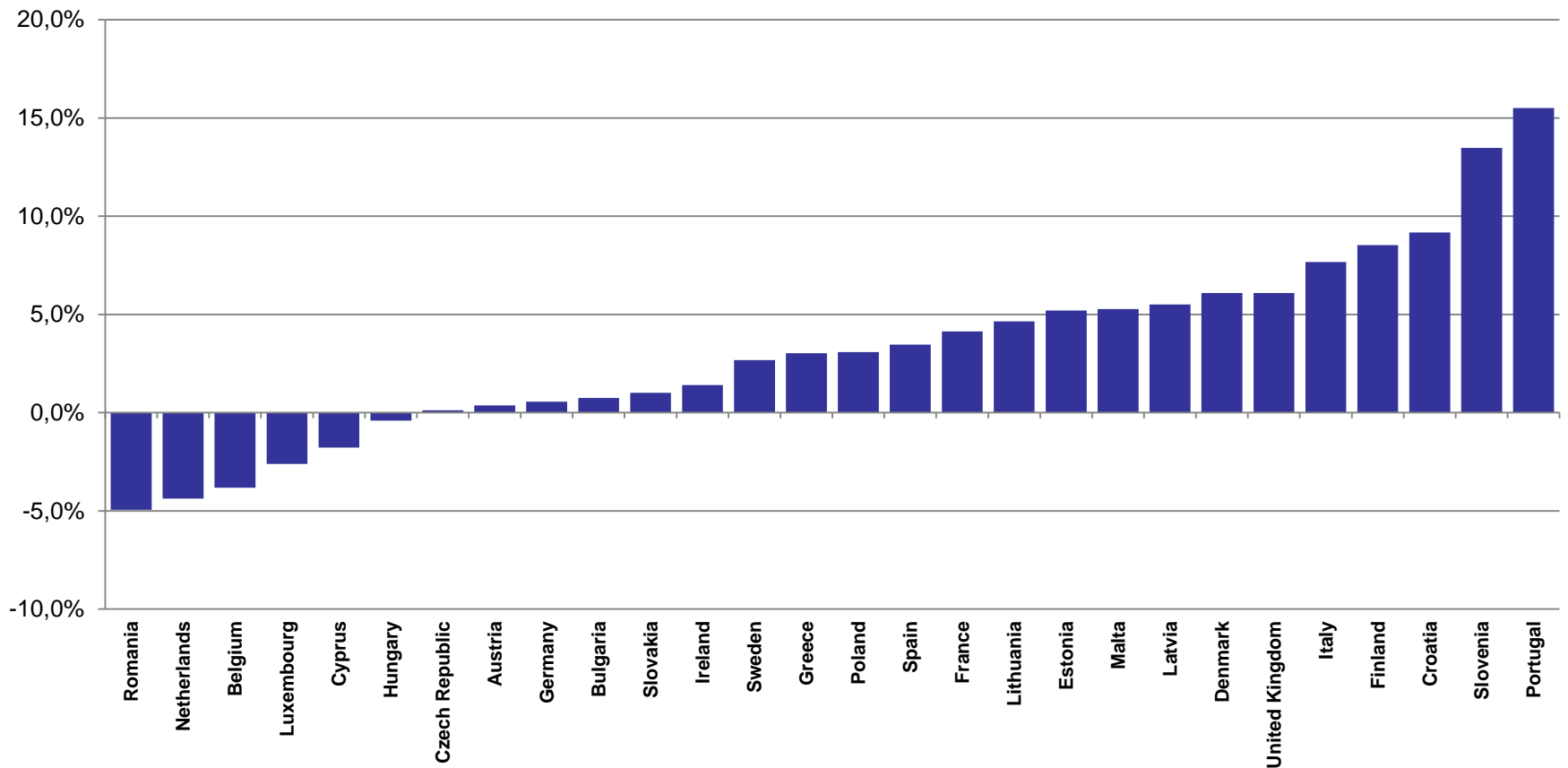
% of TO allocation change between 2007-2013 and 2014-2020 programming periods per MS

TO1. Innovation and R&D



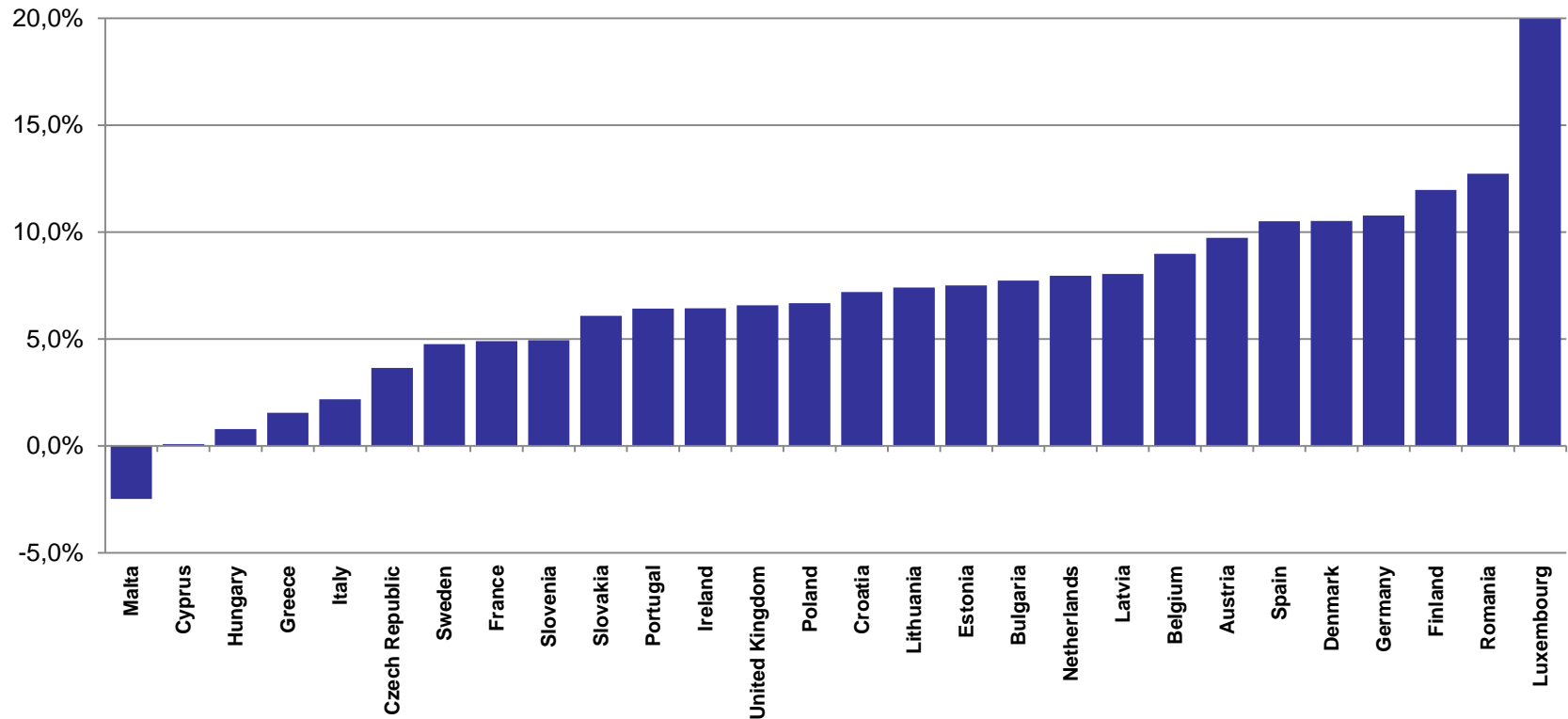
% of TO allocation change between 2007-2013 and 2014-2020 periods per MS

T03. SMEs support



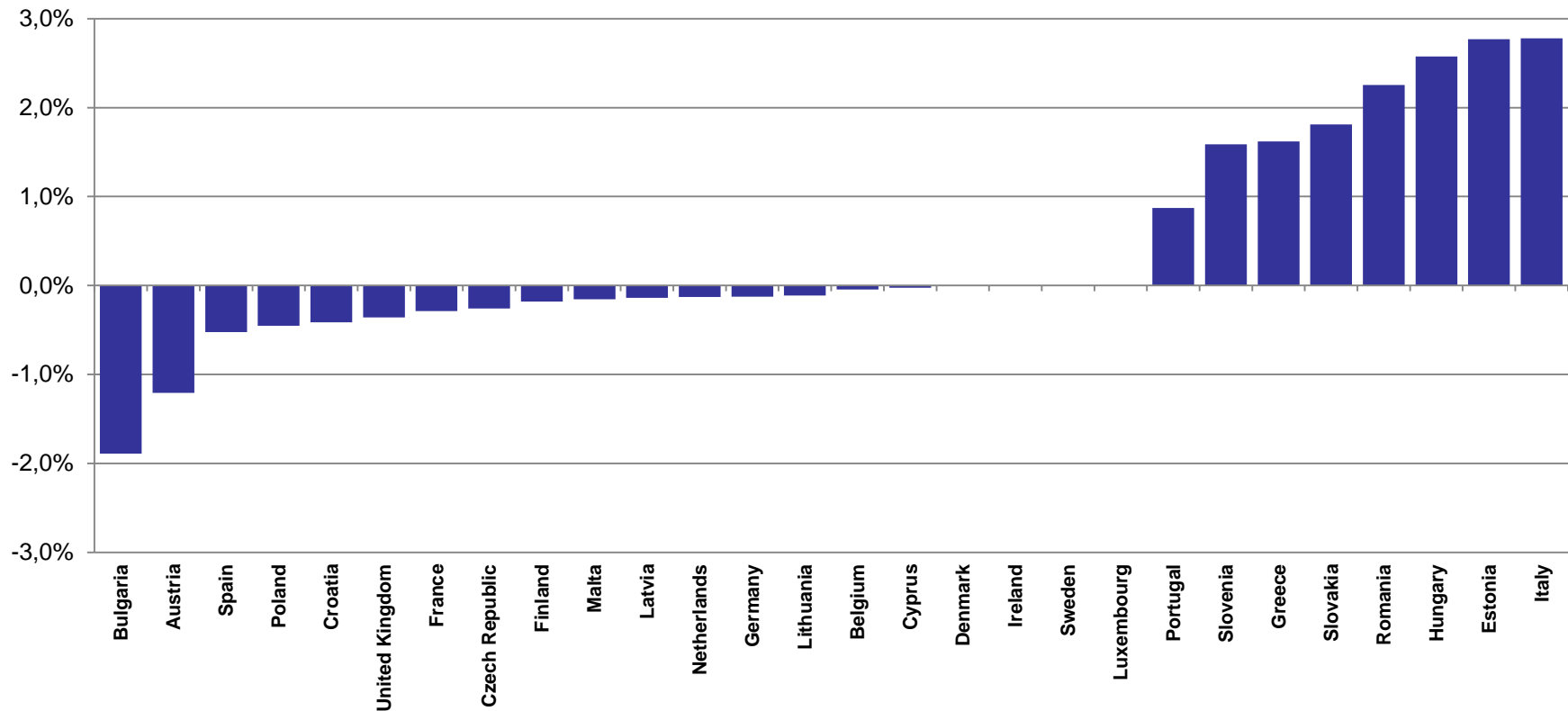
% of TO allocation change between 2007-2013 and 2014-2020 programming periods per MS

T04. Low-carbon economy



% of TO allocation change between 2007-2013 and 2014-2020 programming periods per MS

TO11. Administrative capacity



A. Lessons from the 2007-2013 period

- Ex post evaluations of 2007-2013 programmes
- Internal analysis (modelling, econometric and statistical analyses)
- Evidence from academic research
- Feedback from Member States and stakeholders

B. Lessons from preparation of 2014-2020 legislative package and inter-institutional negotiations

- Internal review of preparation process
- Gap analysis to review outcome of legislative process and identify potential risks
- Analysis by Internal Audit Service (IAS) of outcome of negotiations
- Assessment by outside stakeholders (Member States, EP and other EU institutions, academics and stakeholders)

C. Lessons from negotiating programmes with Member states

- Studies to assess integration of reform elements in programming and understand choices made by Member States and regions
- Internal analysis (thematic concentration, results orientation, uptake of territorial approaches, linkages with CSRs, administrative capacity etc.)
- Synthesis of Member State assessment of negotiations

D. Lessons from the implementation of programmes on the ground

- Studies to assess impact of reform elements in programme implementation and uptake of new elements (such as opportunities for simplification for beneficiaries)
- Internal analysis by competence centres of contribution to key EU priorities
- Analysis of interpretation questions arising in implementation to identify practical difficulties

A. Cohesion Policy 2014-2020 - Prospects

- *Has the allocation of Cohesion Policy funding changed among groups of regions between 2000 and 2020?*
- *What are the investment patterns in the different programming periods?*
- *Has the focus of Cohesion Policy shifted to the national/regional level?*

Methodology

Karvounis A, and Gullo D, 'EU Regional policy 2000-2020: Shifting in Economic Priorities?'

- *Data collection from 293 OPs in 2000-2006, 367 OPs in 2007-2013 and 370 OPs in 2014-2020.*
- *Comparative analysis and clustering for Less developed, Transition and More developed regions*
- *Data aggregation and clustering for more than 90 categories of investment on average*
- *Data aggregation based on NUTS2 codes for more than 293 Sectoral, Multiregional and Regional Programmes in each programming period*
- *The data analysis was carried out by group of regions and Member States (less developed vs. more developed) and by level of implementation (national vs. regional).*